

DEFENSE

Cooperation

**Memorandum of Understanding
Between the
UNITED STATES OF AMERICA
and the UNITED KINGDOM OF
GREAT BRITAIN AND
NORTHERN IRELAND**

Signed at Washington May 22, 2000

with

Annexes



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“ . . . the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND**

Defense: Cooperation

*Memorandum of understanding signed at
Washington May 22, 2000;
Entered into force May 22, 2000.
With annexes.*

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE SECRETARY OF STATE FOR DEFENCE
OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
AND THE
SECRETARY OF DEFENSE ON BEHALF OF THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA
CONCERNING
COOPERATION ON THE FUTURE
DEVELOPMENT, OPERATION AND SUPPORT
OF THE
APACHE ATTACK HELICOPTER (AH)
(SHORT TITLE: AH MOU)

TABLE OF CONTENTS

Introduction	1
SECTION I Definitions	2
SECTION II Objectives	5
SECTION III Scope of Work	6
SECTION IV Management (Organization & Responsibility)	7
SECTION V Financial Provisions	11
SECTION VI Contracting Provisions	13
SECTION VII Work Sharing	15
SECTION VIII Program Equipment	16
SECTION IX Disclosure and Use of Program Information	17
SECTION X Controlled Unclassified Information	21
SECTION XI Visits to Establishments	22
SECTION XII Cooperative Program Personnel	23
SECTION XIII Security	28

SECTION XIV	
Third Party Sales and Transfers	31
SECTION XV	
Liability and Claims	33
SECTION XVI	
Participation of Additional Participants	34
SECTION XVII	
Customs Duties, Taxes, and Similar Charges	35
SECTION XVIII	
Settlement of Disputes	36
SECTION XIX	
Amendment, Termination, Entry into Force, and Duration	37
Annex A	
Project Arrangement Sample Format	A-1
Annex B	
Inventory of Program Equipment Exchanges	B-1
Annex C	
Certificate of Condition and Responsibilities	C-1
Annex D	
Project Arrangement List	D-1

INTRODUCTION

The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland and the Secretary of Defense on behalf of the Department of Defense of the United States of America, hereinafter referred to as the "Participants":

Recognizing the Agreement Concerning Defence Cooperation Arrangements of 27 May 1993 between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland will apply to this MOU;

Recognizing the Memorandum of Understanding between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Relating to Principles Governing Cooperation in Research and Development, Production, Procurement and Logistic Support of Defence Equipment dated 13th December 1994 or any successor thereto applies to this MOU;

Recognizing the applicability to this MOU of the Agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces, done at London on 19 June 1951;

Having a common interest in the interoperability of US and UK forces:

Recognizing the benefits to be obtained from cooperation on the operation, support and further development of the Apache Attack Helicopter (AH 64D/WAH64) hereinafter known as AH and associated systems;

Desiring to develop and/or improve AH training and logistic support systems and processes (to include supply, maintenance and transport systems and processes);

Having a mutual interest in harmonizing, wherever practicable, national requirements for upgrades to the aircraft, its sub-systems and weapon systems;

Having a shared interest in achieving maximum interoperability of US and UK AH units and in achieving common tactics, techniques, methods and procedures for the employment of the AH;

Having a common interest in identifying opportunities for technology sharing so as to contribute to the future development of the AH aircraft and its sub-systems;

Have decided to work closely together in the field of AH cooperation; and

Have reached the following understandings:

SECTION I

DEFINITIONS

The Participants having jointly decided upon the following definitions for provisions used in this Memorandum of Understanding (MOU).

Classified Information	Information that requires protection in the interests of national security and is so designated by the application of a security classification marking.
Cooperative Program Personnel	Military or civilian employees of the Parent Organization of one Participant assigned to the Host Organization of the other who perform professional, administrative, contracting, logistics, financial, planning or other support functions in furtherance of the Program. Liaison officers or observers are not Cooperative Program Personnel.
Contract	Any mutually binding legal relationship which obligates a Contractor to furnish supplies or services, and obligates one or both of the Participants to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Participants. Contracting includes description of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Agency	The entity within the government organization of a Participant, which has authority to enter into, administer, and terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Participant who has the authority to enter into, administer, and/or terminate Contracts.
Contractor	Any entity awarded a Contract by a Participant's Contracting Agency.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this MOU, the information will be marked to identify its "in confidence" nature. It could include information which has been declassified, but remains

	controlled.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Participant.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this MOU.
Financial Costs	Monetary contributions to the Program, the value of which are considered Program costs.
Host Organization	The US Army Program Executive Office (PEO) Aviation and the Defence Procurement Agency (DPA) to which Cooperative Program Personnel are assigned for duty pursuant to the AH MOU.
Host Participant	The Department of Defense or Ministry of Defence.
Non-financial Costs	Any non-monetary contributions to the Program, the value of which are considered Program costs.
Patent	Legal protection of the right to exclude others from making, using, or selling an invention. The term refers to any and all patents including, but not limited to, patents of implementation, improvement, or addition, petty patents, utility models, appearance design patents, registered designs, and inventor certificates or like statutory protection as well as divisions, reissues, continuations, renewals, and extensions of any of these.
Parent Organization	The US Army and MoD departments and agencies to which Cooperative Program Personnel belong.
Parent Participant	The DoD/MoD to which the Parent Organization belongs.
Program	Collaborative or cooperative US/UK activities on AH under the provisions of this MOU.
Program Equipment	Any material, equipment, end item, subsystem, component, special tooling or test equipment jointly acquired or provided for use in the Program.
Program Background Information	Program Information not generated in the performance of the Program.

Program Foreground Information	Program Information generated in the performance of the Program.
Program Information	Any information provided to, generated in, or used in this Program regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, designs, computer software, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial-representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form and whether or not subject to copyright, Patent, or other legal protection.
Third Party	A government other than the governments of the Participants and any person or other entity whose government is not the government of a Participant. For purposes of this MOU, a contractor or subcontractor incorporated outside the United Kingdom or the United States is a Third Party.

SECTION II

OBJECTIVES

- 2.1 The Participants desire to establish a framework within this MOU that will enable timely and effective AH cooperation. The specific level of AH cooperation as a result of this Program will be determined through discussions conducted by the Participants under this MOU, consistent with their respective national interests. Information exchange for the specific purposes of identifying areas of potential AH cooperation, and for formulating, developing and negotiating AH Project Arrangements (PA) is permitted under this MOU.
- 2.2 The objectives of this Program are:
 - 2.2.1 To establish practical working arrangements to further standardization, rationalization and interoperability between the Participants' national AH programs.
 - 2.2.2 To conduct research on and development, testing or evaluation of training and logistical support systems and processes for the AH.
 - 2.2.3 To conduct research on and development, testing or evaluation of tactics, techniques, methods and procedures for the employment of the AH.
 - 2.2.4 To conduct research on and development, testing, evaluation or joint production (including follow-on support) of upgrades to the AH, and its sub-systems and weapon systems.
- 2.3 PAs to this MOU covering specific activities to meet the objectives under paragraph 2.1 above may be established by the Participants. Each PA will include specific provisions consistent with this MOU concerning, where applicable, the objectives, scope of work, sharing of work, management structure, financial arrangements, contractual arrangements, configuration management, classification for applicable activity and schedule and responsibilities of the Participants in accordance with the format set forth in Annex A. In the event of a conflict between the provisions of this MOU and any PA, this MOU will govern; however, a PA may contain specific provisions which are identified as deviating from the provisions of this MOU, in which case the deviating PA provisions will govern.

SECTION III

SCOPE OF WORK

- 3.1 The Participants have determined that a need exists to cooperate regarding their respective national AH programs through the establishment of PAs for cooperation and the exchange of information on the AH. Potential areas of cooperation include, but are not limited to, logistical support systems and processes, tactics, techniques, methods and procedures for employment of the AH, harmonization of upgrade research and development efforts, and informational exchanges. Potential areas of cooperation will be identified in a Cooperative Document (CD) prepared by the Cooperative Program Office (CPO) and reviewed by the Steering Committee (SC). The CD will:
 - 3.1.1 Serve as the primary CPO reporting document to the SC for Program oversight.
 - 3.1.2 Assist the SC in identifying and planning the areas of cooperation from which Working Group (WG) tasks and any PAs may evolve.
 - 3.1.3 Identify the work carried out or planned by the Participants in each area of cooperation.
- 3.2 To assist in identifying areas of potential cooperation, or when an area of mutual interest has been identified by the SC, the CPO may create a WG to explore the identified areas of potential interest or the feasibility of a PA under this MOU in the identified area of interest. The results and conclusions of the WG's feasibility study will be reported, through the CPO, to the SC. The SC will make recommendations to the Participants regarding the establishment of PAs under this MOU.
- 3.3 It is envisioned that work will be performed under this MOU pursuant to individual PAs. WGs will be created as necessary to examine areas of mutual interest and/or to perform tasks under specific PAs.
- 3.4 Information exchanges, beyond the information necessary under paragraphs 2.1 and 3.3, will be pursuant to specific PAs under this MOU.
- 3.5 Unique national requirements of the Participants are outside the scope of this MOU.

SECTION IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

- 4.1 This Program will be directed and administered on behalf of the Participants by an organization consisting of a SC and a CPO headed by a Cooperative Program Manager (CPM). The SC will have overall authority over the CPM, in accordance with this MOU. The CPM will have primary responsibility for effective implementation, efficient management, and direction of the Program in accordance with this MOU.
- 4.2 The SC will consist of a representative appointed by each Participant. The SC will meet annually with additional meetings held at the request of either representative. Each SC meeting will be chaired by the representative of the Participant hosting the meeting. The Participants will alternate hosting the SC meetings unless otherwise agreed to. Decisions of the SC will be made unanimously. In the event that the SC is unable to reach a timely decision on an issue, each SC representative will refer the issue to its higher authority for resolution. In the meantime, existing PAs will continue to be implemented without interruption under the direction of the CPM while the issue is being resolved by higher authority.
- 4.3 The SC will be responsible for:
 - 4.3.1 Exercising executive-level oversight of the Program.
 - 4.3.2 Resolving issues brought forth by the CPM or the DCPM. The Program and any existing PAs will continue to be implemented without interruption under the direction of the CPM pending resolution of the issue.
 - 4.3.3 Determining areas of cooperation to pursue and establishing WGs as necessary. Approve Terms of Reference for each WG established.
 - 4.3.4 Reviewing and forwarding to the Participants for approval recommended amendments to this MOU in accordance with Section XIX (Amendment, Termination, Entry Into Force, and Duration).
 - 4.3.5 Approving plans to manage and control the transfer of Program Equipment provided by either Participant to support the execution of a PA in accordance with Section VIII (Program Equipment).
 - 4.3.6 Approving plans for the disposal of jointly acquired Program Equipment under this MOU in accordance with Section VIII (Program Equipment).

- 4.3.7 Maintaining oversight of the security aspects of the Program, including reviewing and obtaining approval from the appropriate Designated Security Authority of a Project Security Instruction and a Classification Guide prior to the transfer of Classified Information or Controlled Unclassified Information.
- 4.3.8 Providing recommendations to the Participants for the addition of new Participants in accordance with Section XVI (Participation of Additional Participants).
- 4.3.9 Monitoring Third Party sales and transfers authorized in accordance with Section XIV (Third Party Sales and Transfers).
- 4.3.10 Reviewing the status reports submitted by the CPM.
- 4.4 The CPO will be established in Huntsville, Alabama to manage the Program. The US Apache PM will act as the CPM and, in consultation with the Deputy CPM (DCPM), will be responsible for implementing this MOU and for day-to-day management of the Program. The UK AH Integrated Project Team Leader will act as the DCPM. If necessary, the SC may direct that a CPO branch office, under the direction of the CPO, be established in the UK. The staffing, duties, and responsibilities of the CPO branch office would be determined by the CPO.
- 4.5 The Participants will each provide national representation to the CPO.
- 4.6 The CPM, in consultation with the DCPM, will be responsible for:
 - 4.6.1 Managing the cost, schedule, performance requirements, technical, and financial aspects of PAs under this MOU.
 - 4.6.2 Drafting Terms of Reference for WGs and submitting the Terms of Reference to the SC for approval.
 - 4.6.3 Monitoring the progress of WGs and PAs, and providing guidance as required.
 - 4.6.4 Executing the financial aspects of PAs in accordance with Section V (Financial Provisions) of this MOU.
 - 4.6.5 Resolving issues raised by the individual WGs. Issues that cannot be resolved at the CPO level will be referred to the SC.
 - 4.6.6 Developing and recommending amendments to this MOU and its PAs to the SC.

- 4.6.7 Developing and implementing SC-approved plans to manage and control the transfer of Program Equipment provided by either Participant in accordance with Section VIII (Program Equipment).
- 4.6.8 Developing and implementing SC-approved plans for the disposal of jointly acquired Program Equipment under this MOU in accordance with Section VIII (Program Equipment).
- 4.6.9 Developing and forwarding to the SC a Program Security Instruction and a Classification Guide for the Program within three months after signature of this MOU, and implementing them upon final approval.
- 4.6.10 Forwarding recommendations to the SC for the addition of new Participants in accordance with Section XVI (Participation of Additional Participants).
- 4.6.11 Providing status reports to the SC as required.
- 4.6.12 Maintaining a current list of PAs under this MOU (Annex D).
- 4.7 Working Groups
 - 4.7.1 WGs will be established by the SC as necessary to examine areas of mutual interest and/or to perform work under specific PAs of this MOU. WGs will consist of representatives from both Participants. Each Participant will have one vote in WG matters, though a Participant may have as many representatives attend WG meetings as the Participant deems necessary. WGs will meet at least annually, and more often if deemed necessary. The location and chairmanship of meetings will normally rotate between the Participants, with the hosting Participant providing, without charge, appropriate meeting facilities, including security and administrative support.
 - 4.7.2 WGs will be responsible for:
 - 4.7.2.1 Implementing the Terms of Reference. WGs will develop and submit required changes to the Terms of Reference, through the CPO, to the SC for approval.
 - 4.7.2.2 Submitting a proposed PA through the CPM for review by the SC.
 - 4.7.2.3 Executing PAs under this MOU.
 - 4.7.2.4 Providing status reports to the CPO as required.

- 4.7.2.5 Developing and forwarding, through the CPO, to the SC a Project Security Instruction and a Classification Guide for the Project within three months after signature of the PA, and implementing them upon final approval.
- 4.7.2.6 Interacting with and providing information to other WGs, as directed by either the CPO or the SC.
- 4.7.2.7 Referring issues to the CPO that cannot be resolved at the WG level.

SECTION V

FINANCIAL PROVISIONS

- 5.1 Each Participant will contribute its equitable share of the full Financial Costs and Non-financial Costs of the Program, including overhead costs, administrative costs, and the costs of claims, and each Participant will receive an equitable share of the results of the Program.
- 5.2 The US dollar will be the reference currency for the Program and the Program fiscal year will be the US fiscal year.
- 5.3 This MOU creates no financial or non-financial arrangements regarding individual PAs. Detailed descriptions of the financial and non-financial arrangements for a specific PA, including each Participant's cost share, will be contained in that PA.
- 5.4 The Participants recognize that it may become necessary for one Participant to incur contractual or other responsibilities for the benefit of the other Participant prior to the receipt of the other Participant's funds. In the event that one Participant incurs such responsibilities, the other Participant will make such funds available in such amounts and at such times as may be required by the Contract or other responsibility and to pay any damages and costs that may accrue from the performance or cancellation of the Contract or other responsibility in advance of the time such payments, damages, or costs are due.
- 5.5 The following costs will be borne entirely by the Participant incurring the costs or on whose behalf the costs are incurred:
 - 5.5.1 Costs associated with national representation at meetings.
 - 5.5.2 Costs associated with any unique national requirements identified by a Participant.
 - 5.5.3 Any other costs not expressly stated as shared costs or any costs that are outside the scope of this MOU.
- 5.6 The CPM will be responsible for establishing the detailed financial management procedures under which the Program will operate. These procedures must be in accordance with the national accounting and auditing requirements of the Participants and subject to the approval of the SC.
- 5.7 The responsibilities of the Participants will be subject to the availability of appropriated funds for such purposes. A Participant will promptly notify the other Participant if available funds are not adequate to fulfill its responsibilities

under this MOU and any resultant PAs. If a Participant notifies another Participant that it is terminating or reducing its funding, both Participants will immediately consult with a view toward continuation on a changed or a reduced basis.

- 5.8 The Participant contracting on behalf of the other Participant or both Participants will be responsible for the audit of the procurement activities for which it is responsible under a PA in accordance with its national practices. The Participant conducting such audits will be responsible for reporting on administration of the other Participant's funds in accordance with its national practices. Audit reports of such funds will be promptly made available to the other Participant.

SECTION VI

CONTRACTING PROVISIONS

- 6.1 If either Participant determines that Contracting is necessary to fulfill that Participant's responsibilities under Section III (Scope of Work) of this MOU, that Participant will contract in accordance with its respective national laws, regulations, and procedures. Sources from both Participants' industries will be allowed to compete on an equal basis for such Contracts.
- 6.2 When one Participant individually contracts to perform a task, it will be solely responsible for its own Contracting, and the other Participant will not be subject to any liability arising from such Contracts without its prior written consent.
- 6.3 For all Contracting activities performed by either Participant, the CPM will, upon request, be provided a copy of all statements of work prior to the development of solicitations to ensure they are consistent with the provisions of this MOU.
- 6.4 The CPO may make use of a Participant's Contracting Agency in the event that Contracting on behalf of the other Participant or both Participants is required to implement a PA. The Contracting Agency so used will place Contracts in accordance with its respective national laws, regulations, and procedures with such waivers and deviations its procedures permit and as deemed necessary to implement the provisions of this MOU. Sources from both Participants' industries will be allowed to compete on an equal basis for such Contracts. The Contracting Participant's Contracting Officer will be the exclusive source for providing contractual direction and instruction to the Contractors.
- 6.5 Each Participant's Contracting Agency will insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable provisions to satisfy the requirements of this MOU including, Section IX (Disclosure and Use of Program Information), Section X (Controlled Unclassified Information), Section XIII (Security) and Section XIV (Third Party Sales and Transfers) of this MOU. Each Participant's Contracting Agency will negotiate to obtain the rights to use and disclose Program Information required by Section IX (Disclosure and Use of Program Information). During the Contracting process, each Participant will also advise prospective Contractors of their obligation to immediately notify their respective Participant's Contracting Agency, before Contract award, if they are subject to any license or arrangement that will restrict their government's freedom to disclose information or permit its use, and to employ their best efforts not to enter into any new arrangement that will result in restrictions.

- 6.6 In the event a Participant's Contracting Agency is unable to secure adequate rights to use and disclose Program Information as required by Section IX (Disclosure and Use of Program Information), or is notified by Contractors or potential Contractors of any restrictions on the disclosure and use of Program Information, that Participant's Contracting Agency will refer the matter to the CPM who will submit it to the SC for resolution.
- 6.7 The CPM will promptly advise the SC of any anticipated or actual cost growth, schedule changes, delay, or performance problems of any Contractor for which its Contracting Agency is responsible.
- 6.8 For unique national requirements outside the scope of this MOU, the Participants will be responsible for Contracting on their own behalf in accordance with their respective Contracting procedures. Upon reaching an understanding/arrangement, a Participant may contract for the unique national requirements of the other Participant.

SECTION VII

WORK SHARING

- 7.1 No requirement will be imposed by either Participant for work sharing or other industrial or commercial compensation in connection with this MOU and any subsequently established PAs under this MOU that is not in accordance with this MOU.

SECTION VIII

PROGRAM EQUIPMENT

- 8.1 Each Participant may provide Program Equipment identified as being necessary for executing the MOU to the other Participant. Program Equipment will remain the property of the providing Participant. A list of all Program Equipment provided by one Participant to another Participant will be developed and maintained by the CPO, approved by the SC, and incorporated into Annex B (Inventory of Program Equipment Exchanges) to this MOU.
- 8.2 The receiving Participant will maintain any such Program Equipment in good order, repair, and operable condition and return the items in as good condition as received, normal wear and tear excepted, unless the providing Participant has authorized the Program Equipment to be expended or otherwise consumed in connection with the Program without reimbursement to the providing Participant. The receiving Participant will pay the cost of damage (other than normal wear and tear) to or loss of Program Equipment.
- 8.3 The providing Participant will deliver Program Equipment to the receiving Participant at a mutually approved location. Possession of the Program Equipment will pass from the providing Participant to the receiving Participant at the time of receipt of the Program Equipment. Any further transportation is the responsibility of the receiving Participant.
- 8.4 All Program Equipment that is transferred will be used by the receiving Participant only for the purposes of carrying out this MOU, unless otherwise consented to in writing by the providing Participant. In addition, in accordance with Section XIV (Third Party Sales and Transfers), Program Equipment will not be re-transferred to a Third Party without the prior written consent of the providing Participant.
- 8.5 Program Equipment transferred to one Participant under this MOU will be returned to the providing Participant prior to the termination or expiration of this MOU.
- 8.6 Any Program Equipment which is jointly acquired on behalf of both Participants for use under this MOU will be disposed as arranged by the SC.
- 8.7 Disposal of jointly acquired equipment may include a transfer of the interest of one Participant in such Program Equipment to the other Participant, or the sale of such equipment to a Third Party in accordance with Section XIV (Third Party Sales and Transfers) of this MOU. The SC will determine how the Participants will share the consideration from jointly acquired Program Equipment transferred or sold to a Third Party.

SECTION IX

DISCLOSURE AND USE OF PROGRAM INFORMATION

9.1 General

The Participants recognize that successful collaboration depends on full and prompt exchange of information necessary for carrying out this Program. The Participants intend to acquire sufficient Program Information and rights to use such Information to achieve cooperation on the improvement, operation and support of the AH. The nature and amount of Program Information to be acquired will be consistent with the objectives stated in Sections II (Objectives) and III (Scope of Work). Unless otherwise specified under any subsequently established PAs under this MOU, the disclosure and use of information provisions which govern cooperative activities under this MOU are as follows in this Section.

9.2 Information Exchanges

The Participants may exchange information under this MOU for the specific purposes of identifying areas of potential AH cooperation and the formulation, development and negotiation of PAs in accordance with Section II (Objectives) of this MOU. The furnishing Participant will clearly indicate to the receiving Participant when it is furnishing information for the purposes of paragraph 9.2. A Participant may use the information exchanged for information evaluation purposes only. The specific prior written consent of the originating Participant is required for any other use or disclosure, including to Contractors.

9.3 Government Program Foreground Information

9.3.1 Disclosure: Foreground Information generated in whole or in part by a Participant's military or civilian employees will be disclosed without charge to the other Participant.

9.3.2 Use: Each Participant may use all Government Program Foreground Information without charge for Defense Purposes. The Participant generating Government Program Foreground Information will also retain its rights of use thereto. Any sale or transfer to a Third Party will be subject to the provisions of Section XIV (Third Party Sales and Transfers) of this MOU.

9.4 Government Program Background Information

9.4.1 Disclosure: Each Participant, upon request, will disclose to the other Participant any relevant Government Program Background Information generated by its military or civilian employees outside the scope of this MOU, provided that:

- 9.4.1.1 such Background Information is necessary to or useful in the Program, with the Participant in possession of the information determining whether it is "necessary to" or "useful in" the Program;
- 9.4.1.2 such Background Information may be made available without incurring liability to holders of proprietary rights; and
- 9.4.1.3 disclosure is consistent with national disclosure policies and regulations of the furnishing Participant.

9.4.2 Use: Government Program Background Information disclosed by one Participant to the other may be used without charge by the other Participant for Program purposes only; however, the furnishing Participant will retain all its rights with respect to such Background Information.

9.5 Contractor Program Foreground Information

- 9.5.1 Disclosure: Foreground Information generated and delivered by Contractors, will be disclosed without charge to both Participants.
- 9.5.2 Use: Each Participant may use without charge for Defense Purposes all Contractor Program Foreground Information generated and delivered by Contractors of the other Participant. The Participant whose Contractors generate and deliver Contractor Program Foreground Information will also retain rights of use thereto in accordance with the applicable Contract(s). Any sale or other transfer to a Third Party of Contractor Program Foreground Information will be subject to the provisions of Section XIV (Third Party Sales or Transfers) of this MOU.

9.6 Contractor Program Background Information

- 9.6.1 Disclosure: Any relevant Program Background Information, (including Information subject to proprietary rights) generated and delivered by Contractors or other entities under Contracts awarded by a Participant outside the scope of this MOU, will be made available to the other Participant provided the following provisions are met:
 - 9.6.1.1 such Background Information is necessary to or useful in the Program, with the Participant in possession of the information determining whether it is "necessary to" or "useful in" the Program;

9.6.1.2 such Background Information may be made available without incurring liability to holders of proprietary rights; and

9.6.1.3 disclosure is consistent with national disclosure policies and regulations of the furnishing Participant.

9.6.2 Use: Background Information furnished by one Participant's Contractors and disclosed to the other Participant may be used without charge by the other Participant for Program Purposes only, and may be subject to further restrictions by holders of proprietary rights; however, the furnishing Participant will retain all its rights with respect to such Background Information.

9.7. Alternative Uses of Program Information

9.7.1 The prior written consent of each Participant will be required for the use of Program Foreground Information for purposes other than those provided for in this MOU.

9.7.2 Any Background Information provided by one Participant will be used by the other Participant only for the purposes set forth in this MOU, unless otherwise consented to in writing by the providing Participant.

9.8. Proprietary Information

9.8.1 All Program Information subject to proprietary interests will be identified and marked, and it will be handled as Controlled Unclassified Information.

9.8.2 The provisions of the NATO Agreement on the Communication of Program Information for Defence Purposes, done at Brussels on 19 October 1970, and the Implementing Procedures for the NATO Agreement on the Communication of Program Information for Defence Purposes, approved by the North Atlantic Council on 1 January 1971, will apply to proprietary Program Information related to this MOU.

9.9. Patents

9.9.1 Where a Participant owns title to a Program Invention, or has the right to receive title to a Program Invention, that Participant will consult with the other Participant regarding the filing of a Patent application for such Program Invention. The Participant which has or receives title to such Program Invention will, in other countries, file, cause to be filed, or provide the other Participants with the opportunity to file on behalf of the Participant holding title, or its Contractors, as appropriate, Patent applications covering that Program Invention. If a Participant having

filed or caused to be filed a Patent application decides to stop prosecution of the application or maintenance of a patent granted thereon, that Participant will notify the other Participant of that decision and permit the other Participant to continue the prosecution or maintenance.

- 9.9.2 The other Participant will be furnished with copies of Patent applications filed and Patents granted with regard to Program Inventions.
- 9.9.3 The other Participant will acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Participant, throughout the world for Defense Purposes, any Program Invention.
- 9.9.4 Patent applications to be filed under this MOU which contain Classified Information will be protected and safeguarded in accordance with the requirements contained in the NATO Agreement for the Mutual Safeguarding of Secrecy of Inventions Relating to Defense and for Which Applications for Patents Have Been Made, done in Paris on 21 September 1960, and its Implementing Procedures.
- 9.9.5 Each Participant will notify the other Participant of any Patent infringement claims made in its territory arising in the course of work performed under the Program. Insofar as possible, the other Participant will provide information available to it that may assist in defending the claim. Each Participant will be responsible for handling all Patent infringement claims made in its territory, and will consult with the other Participant during the handling, and prior to any settlement, of such claims. The Participants will, in accordance with their national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under the Program of any invention covered by a Patent issued by their respective countries.

SECTION X

CONTROLLED UNCLASSIFIED INFORMATION

- 10.1 Except as otherwise provided in this MOU or as authorized in writing by the originating Participant, Controlled Unclassified Information provided or generated pursuant to this MOU will be controlled as follows:
 - 10.1.1 Such Information will be used only for the purposes authorized for use of Program Information as specified in Section IX (Disclosure and Use of Program Information).
 - 10.1.2 Access to such Information will be limited to personnel whose access is necessary for the permitted use under subparagraph 10.1.1 and will be subject to the provisions of Section XIV (Third Party Sales and Transfers).
 - 10.1.3 Each Participant will take all lawful steps, which may include national classification, available to it to keep such Information free from further disclosure (including requests under any legislative provisions), except as provided in subparagraph 10.1.2., unless the originating Participant consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the Information may have to be further disclosed under any legislative provision, immediate notification will be given to the originating Participant.
- 10.2 To assist in providing the appropriate controls, the originating Participant will ensure that Controlled Unclassified Information is appropriately marked. The Participants will decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings will be defined in the Program Security Instruction.
- 10.3 Controlled Unclassified Information provided or generated pursuant to this MOU will be handled in a manner that ensures control as provided for in paragraph 10.1.
- 10.4 Prior to authorizing the release of Controlled Unclassified Information to Contractors, the Participants will ensure the Contractors are legally bound to control such Information in accordance with the provisions of this Section.

SECTION XI

VISITS TO ESTABLISHMENTS

- 11.1 Each Participant will permit visits to its government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Participant or by employees of the other Participant's Contractor(s), provided that the visit is authorized by both Participants and the employees have any necessary and appropriate security clearances and a need-to-know.
- 11.2 All visiting personnel will be required to comply with security regulations of the Host Participant and the establishment to be visited. Any information disclosed or made available to visitors will be treated as if supplied to the Participant sponsoring the visiting personnel, and will be subject to the provisions of this MOU.
- 11.3 Requests for visits by personnel of one Participant to a facility of the other Participant will be coordinated through official channels, and will conform with the established visit procedures of the host country. Requests for visits will bear the name of the Program.
- 11.4 Lists of personnel of each Participant required to visit, on a continuing basis, facilities of the other Participant will be submitted through official channels in accordance with recurring international visit procedures.

SECTION XII

COOPERATIVE PROGRAM PERSONNEL

- 12.1 The Participants may assign military or civilian employees of its DoD/MoD to serve as CPP in support of the CPO in accordance with the provisions of this Section. The commencement and Terms of Reference of such an assignment is to be mutually acceptable to the Participants and established in writing prior to appointment. An individual may serve for any length of time up to the completion or termination of the Program.
- 12.2 CPP will not act in a liaison capacity. CPP will perform duties as mutually determined by the CPM and DCPM within the scope of this MOU and any subsequently established PAs under this MOU.
- 12.3 The Parent Participant's responsibility will include all costs and expenses of CPP, including, but not limited to:
 - 12.3.1 All pay and allowances.
 - 12.3.2 Travel to and from the country of the Host Participant, except for travel pursuant to paragraph 12.4.
 - 12.3.3 All temporary duty costs, including travel costs, when such duty is carried out at the request of the Parent Participant.
 - 12.3.4 Compensation for loss of, or damage to, the personal property of CPP and their personal dependents.
 - 12.3.5 The movement of dependents and the household effects of CPP.
 - 12.3.6 Preparation and shipment of remains and funeral expenses in the event of the death of CPP or their dependents.
 - 12.3.7 All expenses in connection with the return of CPP whose assignment has been terminated, along with his or her dependents.
- 12.4 The Host Participant will be responsible for the following:
 - 12.4.1 Travel and subsistence costs in connection with the performance of any duty carried out pursuant to a requirement of the Host Participant.
 - 12.4.2 Costs incurred as a result of a change in location of work ordered by the Host Participant during the period of exchange.
- 12.5 The Host Participant will provide facilities and equipment necessary for the

performance of tasks assigned to CPP. The use of Host Participant facilities and equipment by CPP will be a shared cost between the Participants.

- 12.6 The Host Participant will not provide any supplies or services related to those costs that, pursuant to paragraph 12.3, are the responsibility of the Parent Participant. Accordingly, the Parent Participant will make arrangements to defray such costs directly through its personnel, rather than through reimbursement to the Host Participant.
- 12.7 The Participants will establish the maximum level of security clearance required, if any, to permit CPP to have access to Classified Information and work areas in accordance with the Program Security Instruction and Classification Guide. Access to Classified Information and facilities will be on a need-to-know basis and limited to the minimum required to accomplish CPO work assignments.
- 12.8 Each Participant will cause security assurances to be filed, through the British Embassy in Washington, D.C., in the case of UK personnel, and through the US Embassy in London, UK in the case of US personnel, stating the security clearances for the CPP being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established Host Participant procedures.
- 12.9 The Host Organization and the Parent Organization will ensure that assigned CPP are fully cognizant of applicable laws and regulations concerning the protection of proprietary information (such as patents, copyrights, know-how, and trade secrets), Classified Information and Controlled Unclassified Information to which access might be gained under this Program both during and after termination of an assignment. Prior to taking up assigned duties, CPP will be required to sign the certification at Annex C to this MOU.
- 12.10 CPP will at all times be required to comply with the security laws, regulations and procedures of the government of the Host Participant. Any violation of security procedures by CPP during their assignment will be reported to the Parent Participant for appropriate action. CPP committing willful violations of security laws, regulations, or procedures during their assignments will be withdrawn from the Program, with a view toward appropriate administrative or disciplinary action by the Parent Participant.
- 12.11 All Classified Information made available to the CPP will be considered as Classified Information furnished to the Parent Participant and will be subject to all provisions and safeguards provided for in Section XIII (Security), the Program Security Instruction, and the Classification Guide.

12.11.1 CPP will not take custody of Classified Information or Controlled Unclassified Information in tangible form (for example, documents or

electronic files) unless approved by the CPM and as authorized by the Parent Participant on a case by case basis.

- 12.12 To the extent authorized by the laws and regulations of the government of the Host Participant, the Host Organization will provide such administrative support as is necessary for CPP to perform their assigned tasks.
- 12.13 Consistent with the laws and regulations of the government of the Host Participant, CPP assigned under this MOU will be subject to the same restrictions, provisions, and privileges as Host Participant personnel of comparable rank and in comparable assignments. Further, to the extent authorized by the laws and regulations of the government of the Host Participant, CPP and their authorized dependents will be accorded on a reciprocal basis:
 - 12.13.1 Exemption from any tax by the government of the Host Participant upon income received from the government of the Parent Participant.
 - 12.13.2 Exemption from any customs and import duties or similar charges levied on items entering the country of the Host Participant for their official or personal use including their baggage, household effects, and private motor vehicles. The foregoing will not in any way limit privileges set forth elsewhere in this MOU, or other privileges granted by the laws and regulations of the government of the Host Participant.
- 12.14 CPP and their dependents will be informed by the Host Organization about applicable laws, orders, regulations, and customs and they will be required to comply with them. CPP and their dependents also will be briefed by Host Organization personnel regarding their specific entitlements, privileges, and responsibilities upon their arrival in the country of the Host Organization.
- 12.15 CPP may observe the holiday schedule of either the Parent Participant or the Host Participant as mutually acceptable.
- 12.16 The Participants will determine working hours for CPP that are consistent with the customs and requirements of both Participants. CPP will have performance evaluations rendered in accordance with the applicable Parent Participant regulations.
- 12.17 CPP committing an offense under the laws of the government of either the Parent Participant or the Host Participant may be withdrawn from this Program with a view toward further administrative or disciplinary action by the Parent Participant. Disciplinary action, however, will not be taken by the Host Participant against CPP and CPP will not exercise disciplinary powers over personnel of the Host Participant. The Participants will cooperate when

legally possible in carrying out administrative or disciplinary action by the Parent Participant against its CPP.

- 12.18 Any medical and dental care that may be provided to CPP and their dependents at the Host Participant medical facilities will be subject to the requirements of the laws and regulations of the government of the Host Participant, including reimbursement when required by such laws and regulations.
- 12.19 In no case will CPP be assigned to positions which would require exercise of command or be assigned to other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the Host Participant.
- 12.20 CPP will not be placed on duty or in positions in areas of political sensitivity where their presence would jeopardize the interests of the Parent Participant, or where, in the normal course of their duty, they may become involved in activities which may embarrass the Parent Participant.
- 12.21 The Host Participant will not deploy CPP in non-direct hostility situations, such as UN peacekeeping or multi-national operations, without Parent Participant approval. Additionally, CPP will not be deployed to a third country without Parent Participant approval.
- 12.22 The Host Participant will not place CPP in duty assignments in which direct hostilities with forces of third states are likely. Should a unit in which CPP are assigned become involved in hostilities unexpectedly, CPP assigned to the unit will not be involved in the hostilities without authorization from the Parent Participant. CPP approved by both the Parent Participant and the Host Participant for involvement in hostilities will be given clear guidance on the Host Participant's interpretation of laws of war, to include the rules of engagement.
- 12.23 Purchasing and patronage privileges at military commissaries, exchanges, theaters and clubs will be extended to CPP and their dependents on the same basis as equivalent personnel of the Host Participant. This provision will not, however, limit privileges set forth elsewhere in this MOU or other privileges granted by the Host Participant, at its discretion, with the consent of the Parent Participant.
- 12.24 CPP will be granted leave according to their entitlements under the regulations of the Parent Organization, subject to the approval of the appropriate authorities of the Host Organization.
- 12.25 CPP will be required to comply with the dress regulations of the Parent Organization and will also wear such identification as may be necessary to

identify the CPP's nationality, rank and status. The order of dress for any occasion will be that which most nearly conforms to the order for the Host Organization with which they are serving. Customs of the Host Organization will be observed with respect to wearing of civilian clothes.

- 12.26 Consistent with the laws and regulations of the government of the Host Participant, and upon provisions of reciprocity, the Host Organization will provide, if available, housing and messing facilities for CPP and their dependents on the same basis and priority as for its own personnel. CPP will pay messing and housing charges to the same extent as personnel of the Host Organization. At locations where facilities are not provided by the Host Organization for its own personnel, the Parent Organization will make suitable arrangements for CPP.
- 12.27 CPP and those dependents accompanying them, must obtain motor vehicle liability insurance coverage in accordance with applicable laws and regulations of the government of the Host Participant, or its political subdivision, where they are located. In case of claims involving the use of private motor vehicles, the first recourse will be against such insurance.
- 12.28 The NATO Status of Forces Agreement pertaining to rights and privileges of military and civilian personnel while in the country of the Host Participant will apply to CPP and their dependents.

SECTION XIII

SECURITY

- 13.1 All Classified Information or material provided or generated pursuant to this MOU will be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between the United Kingdom of Great Britain and Northern Ireland and the United States of America, of 14 April 1961, amended 5 July and 19 December 1983, and including the Industrial Security Annex thereto, of 18 April 1984, amended 23 April 1988.
- 13.2 Classified Information and material will be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities (DSAs) of the Participants. Such information and material will bear the level of classification, denote the country of origin, the provisions of release, and the fact that the information relates to this MOU.
- 13.3 Each Participant will ensure in a manner consistent with its laws and regulations that information provided or generated pursuant to this MOU is protected from further disclosure, except as permitted by paragraph 13.8, unless the other Participant consents to such disclosure. Accordingly, each Participant will ensure that:
 - 13.3.1 The recipient will not release the Classified Information to any government, national, organization or other entity of a Third Party without the prior written consent or the originating Participant in accordance with the procedures detailed in Section XIV (Third Party Sales and Transfers).
 - 13.3.2 The recipient will not use the Classified Information for other than the purposes provided for in this MOU.
 - 13.3.3 The recipient will comply with any distribution and access restrictions on information that is provided under this MOU.
- 13.4 The Participants will investigate all cases in which it is known or where there are grounds for suspecting that Classified Information or material provided or generated pursuant to this MOU has been lost or disclosed to unauthorized persons. Each Participant also will promptly and fully inform the other Participant of the known details of any such occurrences, and of the final results of the investigation and of the corrective actions taken to preclude recurrences.
- 13.5 The CPO will prepare a Program Security Instruction and a Classification Guide for the Program. The Program Security Instruction and the

Classification Guide will describe the methods by which Program Information and material will be classified, marked, used, transmitted, and safeguarded. The Instruction and Guide will be developed by the CPO within three months after this MOU enters into force. They will be reviewed and forwarded to the Participants' DSA's for approval and will be applicable to all government and Contractor personnel participating in the Program. The Classification Guide will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The Program Security Instruction and the Classification Guide will be approved by the appropriate DSA prior to the transfer of any Classified Information or Controlled Unclassified Information.

- 13.6 The DSA of the Participant in which a classified Contract is awarded will assume responsibility for administering within its territory security measures for the protection of the Classified Information, in accordance with its laws and regulations. Prior to the release to a Contractor, prospective Contractor, or subcontractor of any Classified Information received under this MOU, the DSAs will:
 - 13.6.1 Ensure that such Contractor, prospective Contractor or subcontractors and their facilities have the capability to protect the Classified Information adequately.
 - 13.6.2 Grant a security clearance to the facilities, if appropriate.
 - 13.6.3 Grant a security clearance for all personnel whose duties require access to Classified Information, if appropriate.
 - 13.6.4 Ensure that all persons having access to the Classified Information are informed of their responsibilities to protect the Classified Information in accordance with national security laws and regulations, and the provisions of this MOU.
 - 13.6.5 Carry out periodic security inspections of cleared facilities to ensure that the Classified Information is properly protected.
 - 13.6.6 Ensure that access to the Classified Information is limited to those persons who have a need-to-know for purposes of the MOU.
- 13.7 The Participants recognize that certain classified Program Information, both Foreground and Background, may be subject to special restrictions which will be established in accordance with the Program Security Instruction.
- 13.8 Contractors, prospective Contractors, or subcontractors which are determined by DSAs to be under financial, administrative, policy or management control of nationals or entities of a Third Party, may participate in a Contract or

subcontract requiring access to Classified Information provided or generated pursuant to this MOU only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party will not have access to Classified Information. If enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the other Participant will be consulted for approval prior to permitting such access.

- 13.9 For any facility wherein Classified Information or material is to be used, the responsible Participant or Contractor will approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the information or material pertaining to this MOU. These officials will be responsible for limiting access to Classified Information or material involved in this MOU to those persons who have been properly approved for access and have a need-to-know.
- 13.10 Each Participant will ensure that access to the Classified Information is limited to those persons who possess requisite security clearances and have a specific need for access to the information in order to participate in the Program.
- 13.11 Information or material provided or generated pursuant to this MOU may be classified as high as Secret. The existence of this MOU is Unclassified and the contents are Unclassified.

SECTION XIV

THIRD PARTY SALES AND TRANSFERS

- 14.1 Except to the extent permitted in paragraph 14.2, and unless otherwise specified under any subsequently established PAs under this MOU, the Participants will not sell, transfer title to, disclose, or transfer possession of Program Foreground Information or jointly acquired or produced Program Equipment to any Third Party without the prior written consent of the other Participant. Furthermore, neither Participant will permit any such sale, disclosure, or transfer, including by the owner of the item, without the prior written consent of the other Participant. Such consent will not be given unless the government of the intended recipient consents in writing with the Participants that it will:
 - 14.1.1 not retransfer, or permit the further retransfer of, any equipment or information provided; and
 - 14.1.2 use, or permit the use of, the equipment or information provided only for the purposes specified by the Participants.
- 14.2 Each Participant will retain the right to sell, transfer title to, disclose, or transfer possession of Program Foreground Information:
 - 14.2.1 which is generated solely by either that Participant or that Participant's Contractors in the performance of that Participant's work allocation (Scope of Work) under any subsequently established PA under this MOU; and
 - 14.2.2 which does not include any Program Foreground Information or Program Background Information of the other Participant, and whose generation, test or evaluation has not relied on the use of Program Equipment of the other Participant.
- 14.3 In the event questions arise as to whether the Program Foreground Information (or any item produced either wholly or in part from the Program Foreground Information) that a Participant intends to sell, transfer title to, disclose, or transfer possession of to a Third Party is within the scope of paragraph 14.2, the matter will be brought to the immediate attention of the SC. The Participants will resolve the matter prior to any sale or other transfer of such Program Foreground Information (or any item produced either wholly or in part from the Program Foreground Information) to a Third Party.
- 14.4 Participant will not sell, transfer title to, disclose, or transfer possession of Program Equipment or Program Background Information provided by the other Participant to any Third Party without the prior written consent of the

Participant which provided such equipment or information. The providing Participant will be solely responsible for authorizing such transfers and, as applicable, specifying the method and provisions for implementing such transfers.

- 14.5 Consent for Third Party sales and transfers of Program Foreground Information or jointly acquired Program Equipment, or any item produced either wholly or in part from Program Foreground Information will not be withheld except for reasons of foreign policy, national security, or national laws. A Participant will not refuse approval of such a sale or transfer to a Third Party when it would be willing to sell or transfer such equipment or information to the same Third Party.
- 14.6 Sales and other transfers of equipment developed or Program Foreground Information generated under this MOU may attract a levy to be shared between the Participants. Prior to any such sale or transfer, the amounts of any levy and the procedures for assessing and distributing such levy will be mutually determined by both Participants consistent with the laws and regulations of each Participant. Either Participant may reduce the assessment of its share of the levy.

SECTION XV

LIABILITY AND CLAIMS

- 15.1 Claims arising under this MOU will be dealt with under paragraph 1 of the Agreement Concerning Defense Cooperation Arrangements of 27 May 1993. Any cost-sharing arrangements under Paragraph 1(b)(ii) of that Agreement will be in the same ratio as the cost-sharing arrangements in the Financial Arrangements section in any subsequently established PA under this MOU.

SECTION XVI

PARTICIPATION OF ADDITIONAL PARTICIPANTS

- 16.1 It is recognized that other national defense organizations may wish to join the Program.
- 16.2 Mutual consent of the Participants will be required to conduct discussions with potential additional participants. The Participants will discuss the arrangements under which another participant might join, including the furnishing of releasable Program Information for evaluation prior to joining. If the disclosure of Program Information is necessary to conduct discussions, such disclosure will be in accordance with Section IX (Disclosure and Use of Program Information), Section X (Controlled Unclassified Information) and Section XIV (Third Party Sales and Transfers).
- 16.3 The Participants will jointly formulate the provisions under which additional participants might join. The addition of new participants to the Program will require amendment of this MOU by the Participants.

SECTION XVII

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

- 17.1 Customs duties, import and export taxes, and similar charges will be administered in accordance with each Participant's respective laws and regulations. Insofar as existing national laws and regulations permit, the Participants will endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this Program.
- 17.2 Each Participant will use its best efforts to ensure that customs duties, import and export taxes, and similar charges are administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Participant in whose country they are levied will bear such costs.

SECTION XVIII

SETTLEMENT OF DISPUTES

- 18.1 Disputes between the Participants arising under or relating to this MOU will be resolved only by consultation between the Participants and will not be referred to a national court, to an international tribunal, or to any other person or entity for settlement.

SECTION XIX

AMENDMENT, TERMINATION, ENTRY INTO FORCE, AND DURATION

- 19.1 All activities of the Participants under this MOU and any subsequently established PAs under this MOU will be carried out in accordance with their national laws and the responsibilities of the Participants will be subject to the availability of funds appropriated to implement this MOU and any subsequently established PAs under this MOU.
- 19.2 In the event of a conflict between a Section of this MOU and any Annex to this MOU or subsequently established PAs under this MOU, the Section will control; however, a PA may contain specific provisions which are identified as deviating from the provision of this MOU, in which case the deviating PA provisions will govern.
- 19.3 Except as otherwise provided, this MOU, any Annex to this MOU, and any subsequently established PA under this MOU may be amended by the mutual written consent of the Participants.
- 19.4 This MOU and any subsequently established PA under this MOU may be terminated at any time upon the written consent of the Participants. In the event that the MOU is terminated, all extant Annexes and PAs will be terminated at the same time as the MOU is terminated. In the event both Participants consent to terminate this MOU, or any Annex or PA to this MOU, the Participants will consult prior to the date of termination to ensure termination on the most economical and equitable provisions.
- 19.5 Either Participant may terminate this MOU and any subsequently established PA under this MOU upon 180 days written notification to the other Participant. Such notice will be the subject of immediate consultation by the SC to decide upon the appropriate course of action. In the event of such termination, the following rules apply:
 - 19.5.1 The terminating Participant will continue participation, financial or otherwise, up to the effective date of termination.
 - 19.5.2 Except as to Contracts awarded on behalf of both Participants, each Participant will be responsible for its own Project-related costs associated with termination of a Project. For Contracts awarded on behalf of both Participants, the terminating Participant will pay all Contract modification or termination costs that would not otherwise have been incurred but for the decision to terminate; in no event, however, will a terminating Participant's total financial contribution, including Contract termination costs, exceed that Participant's total

cost ceiling for financial contributions as established in the financial provisions of the applicable PA.

- 19.5.3 All Program Information and rights therein received under the provisions of this MOU prior to the termination will be retained by the Participants, subject to the provisions of this MOU.
- 19.6. The respective rights and responsibilities of the Participants regarding Section VIII (Program Equipment), Section IX (Disclosure and Use of Program Information), Section X (Controlled Unclassified Information), Section XIII (Security), Section XIV (Third Party Sales and Transfers), and Section XV (Liability and Claims), will continue notwithstanding termination or expiration of this MOU.
- 19.7 This MOU, which consists of nineteen Sections and four Annexes, will come into effect upon signature by both Participants and will remain in force for 30 years. It may be extended by written understanding of the Participants.

The foregoing represents the understandings reached between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland upon the matters referred to therein. Signed in duplicate in English by authorized representatives.

FOR THE SECRETARY OF DEFENSE
ON BEHALF OF THE DEPARTMENT
OF DEFENSE OF THE UNITED
STATES OF AMERICA

FOR THE SECRETARY OF STATE
FOR DEFENCE OF THE UNITED
KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND



Signature

Rudy de Leon

Name

Deputy Secretary of Defense

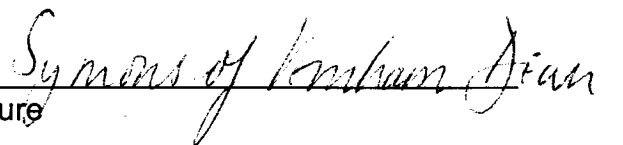
Title

May 22, 2000

Date

Washington, D.C.

Location



Signature

Elizabeth Conway Symons

Name

Minister of State for Defence Procurement,
Baroness Symons of Vernham Dean

Title

May 22, 2000

Date

Washington, D.C.

Location

ANNEX A

*** SAMPLE PROJECT ARRANGEMENT***

PROJECT ARRANGEMENT NO. _____

BETWEEN

THE SECRETARY OF DEFENSE

ON BEHALF OF THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND

THE SECRETARY OF STATE FOR DEFENCE

OF THE

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

CONCERNING

(FULL TITLE OF PROJECT)

TABLE OF CONTENTS

INTRODUCTION

DEFINITION OF TERMS AND ABRREVIATIONS

OBJECTIVES

SCOPE OF WORK

SHARING OF TASKS

BREAK DOWN AND SCHEDULE OF TASKS

MANAGEMENT

FINANCIAL ARRANGEMENTS

CLASSIFICATION

PRINCIPAL ORGANIZATIONS INVOLVED

PROJECT EQUIPMENT

ENTRY INTO EFFECT, DURATION AND TERMINATION

INTRODUCTION

This Project Arrangement (PA) is entered into pursuant to the Memorandum of Understanding (MOU) between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland concerning Cooperation on the Future Development, Operation and Support of the Apache Attack Helicopter (AH) of MM/DD/YY, the terms of which are hereby incorporated by reference.

DEFINITIONS OF TERMS AND ABBREVIATIONS

(Define only those terms used in this PA that have not been defined in the AH MOU)

OBJECTIVES

The objectives of this _____ Project are:

- a. _____
- b. _____
- c. _____

SCOPE OF WORK

The following work will be carried out under this PA.

- a. _____
- b. _____
- c. _____

SHARING OF TASKS

The sharing of tasks will be as follows:

- a. The DoD will _____
- b. The MoD will _____
- c. The DoD and MoD will jointly _____

BREAK DOWN AND SCHEDULE OF TASKS

(When the tasks covered under this Project may be performed using multiple phases, requiring milestones or decision points)

The Project will proceed according to the following phases and schedule:

Phase 1	DURATION
Description of Phase 1	

(Milestone 1) (e.g. Transmittal of Feasibility Report)

Phase 2	DURATION
Description of Phase 2	

(Milestone 2) (e.g. Decision to Proceed to Phase 3)

Phase 3	DURATION
Description of Phase 3	

(Milestone 3) (e.g. Evaluation, analysis of results)

(Add as many as necessary)

The final report must be transmitted to the CPM and the DCPM six months before the termination date for this PA.

MANAGEMENT

1. Project Officers

US PO	Title/Position
	Organization
	Address

UK PO	Title/Position
	Organization
	Address

2. Particular Management Procedures

(Mention only those additional management responsibilities not covered under SECTION IV of the AH MOU)

FINANCIAL ARRANGEMENTS

The Participants estimate that the cost of performance of the work under this PA will not exceed USD \$XX and UK £YY.

The DoD tasks will not cost more than US \$ _____

The MoD tasks will not cost more than UK £ _____

Cooperative efforts of the Participants over and above the jointly determined tasks detailed in the SCOPE OF WORK, SHARING OF TASKS and FINANCIAL ARRANGEMENTS Sections will be subject to amendment to this PA or signature of a new PA.

CLASSIFICATION

Only one of the three following possibilities must be selected:

- a. No Classified Information will be exchanged under this PA.
- b. The highest level of Classified Information which may be exchanged under this PA is Confidential.
- c. The highest level of Classified Information which may be exchanged under this PA is Secret.

PRINCIPAL ORGANIZATIONS INVOLVED

List the government laboratories, research centers, etc. for both the US and the UK.

PROJECT EQUIPMENT (OPTIONAL)

ENTRY INTO EFFECT, DURATION AND TERMINATION

This _____ PA, a Project under the AH MOU between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, will enter into effect upon date of last signature, and will remain in effect for ____ years unless terminated by either Participant. It may be extended by written consent of both Participants.

For the United States

Signature

Name

Date

Location

For the United Kingdom

Signature

Name

Date

Location

ANNEX B

INVENTORY OF PROGRAM EQUIPMENT EXCHANGES

<u>Nomenclature</u>	<u>Part No./Model No.</u>	<u>Estimated Value</u>	<u>Receiving Party</u>	<u>Date Transferred</u>
---------------------	---------------------------	------------------------	------------------------	-------------------------

ANNEX C

CERTIFICATE OF CONDITIONS AND RESPONSIBILITIES FOR COOPERATIVE PROGRAM PERSONNEL

I understand and acknowledge that I have been accepted for assignment to (Name and location of organization to which assigned) pursuant to the Memorandum of Understanding between the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland and the Secretary of Defense on behalf of the Department of Defense of the United States of America concerning Cooperation on the Future Development, Operation and Support of the Apache Attack Helicopter. In connection with this assignment, I further understand, acknowledge, and certify that I will comply with the following conditions and responsibilities:

1. The purpose of the assignment is to provide my expertise to the Cooperative Program. There shall be no access to information except as required to perform the duties described in the position description (PD) of the position to which I am assigned, as determined by my designated supervisor.
2. I shall perform only functions which are properly assigned to me as described in the PD for my assignment and shall not act in any other capacity on behalf of my government or my Parent Participant or Parent Organization.
3. All information to which I may have access during this assignment will be treated as information provided to my government in confidence and will not be further released or disclosed by me to any other person, firm, organization or government without the prior written authorization of the AH Cooperative Program.
4. When dealing with individuals outside of my immediate office of assignment on official matters, I will inform such individuals that I am a foreign Cooperative Program person.
5. I have been briefed on, understand, and will comply with all applicable security regulations of the AH Cooperative Program.
6. I will immediately report to my designated supervisor all attempts to obtain, without proper authorization, classified, restricted, proprietary or controlled unclassified information to which I may have access as a result of this assignment.

(Typed Name)

(Signature)

(Rank/Title)

(Rank/Title)

(Date)

(Date)

ANNEX D

PROJECT ARRANGEMENT LIST

<u>No.</u>	<u>Title</u>	<u>Date Signed</u>	<u>Project Officers</u>
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